

Testimony of

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On

Low-Income Home Energy Assistance Program Allocation Plan

Appropriations, Human Services and Energy & Technology Committees

September 15, 2009

Good afternoon and thank you for the opportunity to testify regarding the allocation plan before you for the Low-Income Home Energy Assistance Program (LIHEAP) block grant.

As you know, the Connecticut Commission on Aging is an independent, nonpartisan state agency that is part of the legislative branch of government. We are devoted to preparing our state for a burgeoning aging population while promoting policies that enhance the lives of the present and future generations of older adults. For over fifteen years, the Commission has served as an effective leader in statewide efforts to promote choice, independence and dignity for Connecticut's older adults and persons with disabilities. The Commission also serves as a member of the statutorily-mandated Low-Income Energy Advisory Board (CGS §16a-41b). This board, comprised of representatives of state agencies, community action agencies, utility companies, Operation Fuel, Infoline 2-1-1 and other interested parties, is charged with advising policymakers in the legislative and executive branches about energy assistance programs.

As part of Results-Based Accountability, the Connecticut Commission on Aging is working toward the following Population Result: "All present and future older adults in Connecticut live in the secure, healthy and productive environment of their choice." A major component of this goal is being able to afford to live in one's home, and energy assistance is a critical component of these efforts. Simply put, those who are unable to heat their homes are unable to live in their homes. Programs like the Low-Income Home Energy Assistance Program (LIHEAP) and Operation Fuel have helped hundreds of thousands of older adults meet this need.

Connecticut has more than 470,000 residents over the age of 65, about 7% of whom live below the poverty line. However, many more have difficulty meeting their daily needs. The Elder Economic Security Initiative (EESI), a new study commissioned by the Commission on Aging and the Permanent Commission on the Status of Women, provides important data about this issue. Across Connecticut, older adults have a huge gap between their earnings and the amount needed to maintain even modest lifestyles in Connecticut. EESI also demonstrates that energy assistance can be as helpful as prescription drug assistance in helping older adults meet their needs.

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In regards to this year's plan, the Commission on Aging offers support for the general structure and administration of LIHEAP in Connecticut. However, we have the following comments for the committees' consideration:

- This allocation plan provides a lower benefit level than last year's plan. For example, vulnerable households earning below the poverty level will receive a basic benefit of \$880 this year, compared with \$925 last year. This reduction is across all categories of households covered by LIHEAP and will likely lead to unspent funds at the end of the program year.
- Carry-forward funds in this program are a near-annual occurrence and total over \$12 million this year alone. To avoid this, we would prefer to see program spending targeted toward the beginning of the program year, through increased basic benefits—instead of exploring new ways to spend money near the end of the program year. Better planning for the expenditure of LIHEAP funds will help individuals and families and also improve program efficiency.
- Connecticut now has a number of energy assistance programs which are not coordinated with each other. These programs include weatherization assistance (greatly expanded as a result of ARRA), utility arrearage forgiveness programs, Operation Fuel and LIHEAP. Coordination of these programs, whenever possible, would again benefit consumers and improve program efficiency. Additionally, it is possible that additional dollars can be leveraged through better coordination.

Thank you for your ongoing commitment to help individuals and families meet their energy needs. There is no doubt that energy assistance will literally save lives in our state this year.

The Commission on Aging is ready to serve as a resource to your committees and others as you finalize these and other plans for energy assistance. Thank you.